

*The General Assembly of North Carolina do enact:*

Deposit of State or local unit funds in banks that have provided for safety of deposits without requiring depository bonds.

Approval by Council of State as to State funds.

Approval of Local Government Commission as to local unit funds.

Bonds for unguaranteed deposits.

Conflicting laws repealed.

SECTION 1. Where any bank or trust company, State or National, has come within the provisions of the National Banking Laws, providing guarantee or insurance on security, in full, for the deposits in such bank or trust company, and for payment thereof upon demand of the depositor, and when thereby such protection is afforded depositors of such bank or trust company, and where any such bank or trust company may be properly designated as a depository for the deposits of moneys of the State of North Carolina, or of any county, city, town, or other political subdivision of the State of North Carolina, it shall be permissible and lawful to deposit the moneys of the State, or of such county, city, town, or other political subdivision therein, without requiring of the said bank or trust company to furnish any additional security for the protection of such deposits, or the payment thereof upon demand, as now required by law: *Provided, however*, that the Council of State shall have previously passed upon the character and extent of the guarantee afforded by the United States Banking Laws, and shall have approved the same as satisfactory: *Provided further*, that the approval of such bank or trust company as a depository for moneys of the State of North Carolina must be given by the Council of State, and approval by the Local Government Commission must be secured for such bank or trust company to act as a depository for any county, city, town, or other political subdivision of the State: *Provided further*, that any action in regard to these matters shall be discretionary with the Council of State as far as this act applies to them, and with the Local Government Commission as far as this act applies to it.

SEC. 1½. Where the deposits are guaranteed or insured only in part, the bank or trust company receiving such deposits shall be required to deposit bonds or security only to the extent of the unguaranteed portion of said deposits.

SEC. 2. All laws and clauses of laws in conflict with this act are hereby repealed.

SEC. 3. This act shall be in full force and effect from and after its ratification.

Ratified this the 12th day of May, A. D. 1933.